

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0918

Date of Decision: 1 November 2018

Complaint

The customer submits that she was charged by the company on a Rateable Value (RV) basis. Her property then became part of the company's Smart Metering Programme (SMP). A survey was undertaken on 6 September 2017. It was established that a meter could not be installed at the property and so the company transferred her to its Assessed Household Charge (AHC) single occupier tariff. She was unaware of the AHC tariff which is less than the RV tariff she was paying. The customer requests that the company backdate the AHC to 2009, when the tariff first became available.

Defence

The company states that the AHC is only applicable once it has surveyed a property and deemed it unmeterable. Information about the option to apply for a meter is also included on its bills. The OFWAT charging rules, which all water companies have to follow when setting tariffs, specifies that companies are only required to offer the AHC tariff when a meter cannot be fitted. The purpose of the charge is to make sure that customers are not unreasonably disadvantaged because they cannot have a meter. The charge is not available to customers if the company can fit a meter at their property. This applies across the industry. The customer has always had the option to apply for a water meter, but as no application has ever been made, the AHC is only applicable from the date the customer requested to switch tariffs after her property had been surveyed as part of its SMP. No offer of settlement was made.

Findings

The company's Charges Scheme supports the company's submission that customers must apply for a meter before they can be considered for the AHC. This information is reiterated by the regulator, OFWAT, on its website. The customer has not shown that the company's policy to only apply the AHC when an application for a water meter has been made and it is found that it is not possible to fit a meter, is contrary to any law or code. The company was only obliged to apply the AHC when a meter could not be fitted. The customer has not shown that the company is obliged to backdate the AHC to 2009.

Outcome

The company does not need to take any further action.

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The customer must reply by 29 November 2018 to accept or reject this decision.

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Date of Decision: 1 November 2018

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- She was charged by the company a Rateable Value (RV) basis. Her property then became part of the company's Smart Metering Programme (SMP). A survey was undertaken on 6 September 2017. It was established that a meter could not be installed at the property and so the company transferred her to its Assessed Household Charge (AHC) single occupier tariff. She was unaware of the AHC tariff which is less than the RV tariff she was paying. The company should have made her aware of this tariff when it first became available in 2009.
- The customer requests that the company backdate the AHC to 2009.

The company's response is that:

- The AHC is only applicable once it has surveyed a property and deemed it unmeterable.
- Metering is advertised on its bills. Information about the option to apply for a meter is also included in leaflets sent with its annual bills. Whilst not advertised on its bills, information on AHC is available on its website. AHC is also detailed in its Charges Scheme.
- OFWAT's website makes the position clear on how the Scheme may be used and states that each company must treat all of its customers on assessed charges in the same way; *"You will not be offered an assessed charge unless you apply for a meter."*
- The OFWAT charging rules, which all water companies have to follow when setting tariffs, specifies that companies are only required to offer the AHC tariff when a measured charges

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notice has been given (i.e. the customer has asked for a meter or been included as part of the Progressive/Smart Metering programme), but cannot be fulfilled.

- The purpose of the charge is to make sure that customers are not unreasonably disadvantaged because they cannot have a meter. The charge is not available to customers if the company can fit a meter at their property. This applies across the industry.
- On 6 September 2017, as part of its SMP it surveyed the customer's property and confirmed that it was unable to fit a meter. On 8 September 2017, the customer asked to be switched to its AHC for a single occupier. On 13 September 2017, a new account was opened for the customer based on the AHC with effect from 8 September 2017, and a bill was sent detailing her new payment plan.
- The customer has always had the option to apply for a water meter, but as no application has ever been made, the AHC is only applicable from the date the customer requested to switch tariffs after her property had been surveyed as part of its SMP.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

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How was this decision reached?

1. Under Section 143 of the Water Industry 1991 Act the company is entitled to make a Charges Scheme which fixes the charges for any services provided by the undertaker in the course of carrying out its functions.
2. The company's Charges Scheme 2017/2018 supports the company's submission that customers must apply for a meter before they can be considered for the AHC. While the company has not submitted similar evidence for the full period I accept that it is more likely than not that the policy has been consistent since 2009.
3. There is no evidence to show that the company's Charges Scheme were not approved by the regulator OFWAT or do not comply with OFWAT's Charging Rules.
4. I also accept the evidence submitted by the company to support its submission that this information is reiterated by OFWAT on its website. On its website, OFWAT states that customers will not be offered an assessed charge unless they apply for a meter.
5. The customer has not shown that the company's policy to only apply the AHC when an application for a water meter has been made, and it is found that it is not possible to fit a meter, is contrary to any law or code.
6. The customer has not disputed that the company provided information about the option to apply for a meter on its bills and annual leaflets. While I accept that the customer may not have been aware that if her property was not suitable for a meter that she would then be able to be billed on the AHC, I find that the company did discharge its duty to make her aware of the option to have a meter installed.
7. In view of all of the above, I find there is no evidence to show that the company has acted contrary to any law or code and that the company has failed to provide its services to the standard to be reasonably expected by the average person. The company was only obliged to apply the AHC when a meter could not be fitted. I recognise that the customer feels that the company should have done more to advise her of the options but as a matter of law I am satisfied that the company met its obligations. The customer has not shown that the company is obliged to backdate the AHC to 2009.

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8. Consequently, the claim is unable to succeed.

Outcome

The company does not need to take any further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 29 November 2018 to accept or reject this decision.
- When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.



**U Obi LLB (Hons) MCI Arb
Adjudicator**

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